

ACTION AGENDA

Monday, January 23, 2012

Special Meeting

Committee of the Whole

Regular Meeting

SPECIAL MEETING AGENDA

Session 12-03 a Special Meeting of the Homer City Council was called to order on January 23, 2012 at 4:00 p.m. by Mayor James C. Hornaday at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: HOWARD, LEWIS, ROBERTS,
WYTHE, ZAK

ABSENT: HOGAN (excused)

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON

2. **AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

The agenda was approved by consensus of the Council.

3. NEW BUSINESS

- A. **Memorandum 12-011**, From City Clerk Re: Request for Executive Session Pursuant to AS 44.62.310 (C)(2), Matters, Subjects that Tend to Prejudice the Reputation and Character of any Person, Provided the Person May Request a Public Discussion. (City Manager Wrede Annual Performance Evaluation).

APPROVED without discussion.

Council adjourned to Executive Session at 4:03 p.m. and reconvened the meeting at 4:50 p.m.

Mayor Pro Tempore Wythe stated Council met with the City Manager and provided feedback on his performance for the past year and also established some goals for the coming year. A formal report will be developed by Ms. Roberts to go into his personnel file.

4. COMMENTS OF THE AUDIENCE

There were no comments of the audience.

5. ADJOURNMENT NO LATER THAN 4:50 P.M.

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 4:51 p.m. The next Regular Meeting is Monday, February 13, 2012 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

COMMITTEE OF THE WHOLE AGENDA

1. CALL TO ORDER, 5:00 P.M.

Mayor Hornaday called the meeting to order at 5:00 p.m.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council’s Operating Manual, pg. 5)

The agenda was approved by consensus of the Council.

3. REGULAR MEETING AGENDA

5. COMMENTS OF THE AUDIENCE

There were three who commented.

6. ADJOURNMENT NO LATER THAN 5:50 P.M.

Mayor Hornaday adjourned the meeting at 6:01 p.m.

REGULAR MEETING AGENDA

Session 12-04 a Regular Meeting of the Homer City Council was called to order on January 23, 2012 at 6:08 p.m. by Mayor James C. Hornaday at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: HOGAN, HOWARD, LEWIS, ROBERTS,
WYTHE, ZAK

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY PLANNER ABOUD
LIBRARY DIRECTOR DIXON
PUBLIC WORKS DIRECTOR MEYER

Department Heads may be called upon from time to time to participate via teleconference.

Council met for a Special Meeting from 4:00 p.m. to 4:51 p.m. in Executive Session to conduct the City Manager's evaluation. Council met as a Committee of the Whole from 5:00 p.m. to 6:01 p.m. to discuss Regular Meeting Agenda items and hear information from Charlie Pierce of Enstar about the proposed natural gas line to Homer.

2. AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The agenda was approved by consensus of the Council with the following changes: **PUBLIC HEARINGS** – Ordinance 12-01(S)(A) Sign Code Amendment, recommendations for amendments from City Attorney.

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There was one who commented.

4. RECONSIDERATION

5. CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Special and Regular Meeting minutes of January 9, 2012. City Clerk. Recommend adoption.

- B. **Memorandum 12-013**, from Deputy City Clerk, Re: Liquor License Renewal for Finn's, Cosmic Kitchen on the Spit, Cosmic Kitchen, Save-U-More, Down East Saloon.
- C. **Memorandum 12-014**, from Mayor, Re: Reappointment of Pete Wedin to the Port and Harbor Advisory Commission.

APPROVED without discussion.

6. VISITORS

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. Borough Report

Bill Smith, Kenai Peninsula Borough Assemblyman, reported the Assembly's last meeting was a short agenda, but a long meeting. They opposed issuing a Certificate of Need for Kahtnu Ventures, LLC for an ambulatory surgery center in Kenai. Taxpayers built the Central Peninsula Hospital and South Peninsula Hospital and the surgery center would affect finances for both hospitals. The South Peninsula Hospital is now making profit and there are good hopes it will be in better financial shape in the future.

The Borough appropriated a portion of the cruise ship tax to Homer for port improvements to help cruise ship passengers.

Assemblyman Smith indicated Borough Mayor Navarre supports the gas line to Homer and it is on their legislative list.

Asked by Councilmember Lewis if there was any progress on the Homer High School track, Assemblyman Smith answered he has been assured improvements to the track can get through the legislative process. More issues may arise if the track is linked with the football field as it will be additional funds. Mayor Navarre is fairly confident we can get the track fixed this year.

B. Commissions/Board Reports:

- 1. Library Advisory Board
- 2. Homer Advisory Planning Commission
- 3. Economic Development Advisory Commission

4. Parks and Recreation Advisory Commission
5. Port and Harbor Advisory Commission

8. PUBLIC HEARING(S)

- A. **Ordinance 11-49**, An Ordinance of the Homer City Council Adopting Homer City Code Chapter 15.10, Ocean Drive Loop Special Service District, to Create a Differential Property Tax Zone to Levy Property Taxes to Fund Special Services Provided in the District. City Manager/City Attorney. (Introduction December 19, 2011 as emergency ordinance, Public Hearing and Second Reading January 23, 2012)

Ordinance 11-49(S), An Ordinance of the Homer City Council Adopting Homer City Code Chapter 15.10, Ocean Drive Loop Special Service District, to Create a Differential Property Tax Zone to Levy Property Taxes to Fund Special Services Provided in the District. City Manager/City Attorney.

There were six who testified.

SUBSTITUTE Ordinance 49(S) ADOPTED with discussion.

- B. **Ordinance 12-01(S)(A)**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.60.040, Definitions; Homer City Code 21.60.060, Signs Allowed on Private Property With and Without Permits; Homer City Code 21.60.070, Permits Required; Homer City Code 21.60.080 Design, Construction, and Maintenance; Homer City Code 21.60.090, Signs in the Public Right-of-Way; Homer City Code 21.60.100, Signs Exempt From Regulation Under This Chapter; Homer City Code 21.60.110 Signs Prohibited Under This Chapter; Homer City Code 21.60.130, Temporary Signs-Private Property; Homer City Code 21.60.150, Time of Compliance-Nonconforming Signs and Signs Without Permits; and Homer City Code 21.60.170, Enforcement and Remedies; and Repealing Homer City Code 21.60.095, Electoral Signs; Homer City Code 21.60.120, General Permit Procedures; Homer City Code 21.60.140, Temporary Signs-Public Rights-of-Way; and Homer City Code 21.60.160, Violations; Regarding the Regulation of Signs. Introduction January 9, 2012, Public Hearing and Second Reading January 23, 2012.

Memorandum 12-007 from City Planner as backup.

Memorandum 12-008 from City Attorney as backup.

There were ten who testified.

AMENDED and REFERRED TO PLANNING COMMISSION and ECONOMIC DEVELOPMENT ADVISORY COMMISSION.

- C. **Ordinance 12-02(A)**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Operating Budget by Appropriating \$114,288 from the Sewer Reserve Account for the Polymer Equipment Replacement Project. City Manager/Public Works Director. Introduction January 9, 2012, Public Hearing and Second Reading January 23, 2012.

Memorandum 12-003 from Public Works Director as backup.

There was no public testimony.

ADOPTED without discussion.

- D. **Ordinance 12-03**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Operating Budget by Appropriating and Transferring \$60,000 from the General Fund Reserves to the Seawall Maintenance Reserve for the Purpose of Repairing and Maintaining the Wall. City Manager. Introduction January 9, 2012, Public Hearing and Second Reading January 23, 2012.

There were four who testified.

ADOPTED without discussion.

Mayor Hornaday called for a recess at 7:32 p.m. and reconvened the meeting at 7:35 p.m.

- E. **Ordinance 12-04**, An Ordinance of the City Council of Homer, Alaska, Amending the Deep Water Dock Security Gates and Video Surveillance Equipment Project Budget by Appropriating an Additional \$9,623.41 from the Port and Harbor Reserves for the Purpose of Addressing Unanticipated Conditions Encountered During Construction. City Manager/Port and Harbor Director. Introduction January 9, 2012, Public Hearing and Second Reading January 23, 2012.

Memorandum 12-004 from Port and Harbor Director as backup.

There was no public testimony.

ADOPTED with discussion.

9. ORDINANCE(S)

- A. **Ordinance 12-05**, An Ordinance of the City Council of Homer, Alaska, Authorizing the

Purchase of Kenai Peninsula Borough Parcel No. 17714019 (Lot 2, Glacier View Subdivision No. 18), in the Amount of \$260,000 from the General Fund Balance for the Purpose of Providing Land for Future Expansion of the City Public Works Complex. City Manager. Recommended dates: Introduction January 23, 2012, Public Hearing and Second Reading February 13, 2012.

Memorandum 12-012 from City Manager as backup.

ADOPTED without discussion.

10. CITY MANAGER'S REPORT

A. City Manager's Report

City Manager Wrede reported there are two emergency expenditures that he will come back with ordinances. The steamer is a very important piece of equipment for Public Works and it has melted down. It is needed this time of year to steam fire hydrants to keep them operational and keep the culverts from clogging up. He has authorized Public Works to get bids and move ahead. It is about a \$30,000 piece of equipment that may need to be purchased new.

The M/V Kennicott hit a docking dolphin at the Pioneer Dock and ripped the fenders off. It is a safety issue that cannot be ignored. We have authorized the engineers to look at it and provide a cost for the repair. We will have to come up with money up front, but will be reimbursed by the State. The ferry can still dock, but must be very careful about how they do it.

At the Committee of the Whole meeting Council discussed the gas line with Charlie Pierce of Enstar. Council reviewed a written report that explained the current discussion of a \$1 per Mcf change in the tariff. It would mean that Homer residents would pay \$1 more per Mcf to help pay off capital costs of large transmission lines. The idea is gaining steam. One of the benefits to the tariff increase is in the two prior vetoes of the gas line, Governor Parnell said he wanted to see a contribution from local consumers. Information was passed out that showed the savings if you paid an extra \$1 per Mcf. The extra tariff would go away after 10 years. It would raise \$2.5M, meaning the City would have to request \$8.5M for the gas line project. Enstar would upfront the money and be paid through the tariff over a 10-year period. There was discussion about the next steps for Council if they wanted to finance the build-out within the core area of downtown Homer. Council indicated they would like him to instruct the City Attorney to draft two ordinances. One would govern where gas lines would go in the right-of-way, how they would be constructed, inspected and fees. The other ordinance would set up a LID (Local Improvement District) for the gas utility in the downtown core area. We will schedule workshops as soon as we can and then convey the information to the public.

Mayor Hornaday called attention to the Homer Tribune article where the Anchor River Inn has realized a 75% savings with natural gas. For Homer it will be a substantial savings, even with the extra tariff. We will still have to pay for distribution lines and hookups and pay for our own modifications to convert to gas appliances. Council feels citizens want it so are pursuing it under the capital projects for the Legislature this year. About \$525,000 was funneled through the City of Homer for the Anchor Point gas line that provided two PRV (Pressure Reduction Valve) stations to serve both Anchor Point and Homer and built 3,250 ft. gas line to reach Chapman School.

Councilmember Wythe commented when this was last discussed with Enstar they do not have ownership of gas contracts to provide services beyond 2013. She asked if we pursue the gas line will Enstar provide assurance they can supply natural gas after money is invested in the gas line. City Manager Wrede advised that Council should invite Enstar to Homer and put the question before them. Enstar has signed new contracts recently. The storage facility near Kenai is close to ready to fill. There is more talk about bullet lines and successful drilling in Cook Inlet.

Councilmember Wythe noted previously she has recused herself from discussion on the gas line and asked if she needed to continue to do so. Mayor Hornaday asked that it be referred to the City Attorney to determine if there was a conflict.

B. Games Report

11. CITY ATTORNEY REPORT

12. COMMITTEE REPORT

A. Public Arts Committee

B. Transportation Advisory Committee

C. Permanent Fund Committee

D. Lease Committee

E. Port and Harbor Improvement Committee

F. Employee Committee Report

13. PENDING BUSINESS

14. NEW BUSINESS

- A. **Memorandum 12-015**, From City Clerk, Re: Travel Authorization for Mayor Hornaday and Councilmember Zak's Attendance at Alaska Municipal League Winter Legislative Conference in Juneau, Alaska, February 7 - 9, 2012.

APPROVED with discussion.

15. RESOLUTIONS

- A. **Resolution 12-008**, A Resolution of the City Council of Homer, Alaska, Approving a Cooperative Agreement Between the Alaska Department of Fish and Game, Division of Sport Fish, and the City of Homer, Regarding Repair, Replacement, and Rehabilitation of Infrastructure and Facilities at the Homer Load and Launch Ramp. City Manager/Port and Harbor Director.

POSTPONED to February 13, 2012.

- B. **Resolution 12-009**, A Resolution of the City Council Revising Certain Portions of the Homer Public Library Policy Manual. City Manager/Library Advisory Board.

Memorandum 12-016 from Library Director as backup.

ADOPTED with discussion.

- C. **Resolution 12-010**, A Resolution of the City Council of Homer, Alaska, Awarding the Design Contract for the Deep Water Dock Fender Replacement Project to the Firm of R&M Consultants, Inc. of Anchorage, Alaska, in the Amount of \$202,500 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 12-017 from Public Works Director as backup.

ADOPTED without discussion.

- D. **Resolution 12-011**, A Resolution of the City Council of Homer, Alaska, Appointing Council Member Bryan Zak as the City's Representative for the Business Leaders for Economic Development Task Force. Mayor.

ADOPTED with discussion.

16. COMMENTS OF THE AUDIENCE

There were two who commented.

17. COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

18. COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

19. COMMENTS OF THE CITY MANAGER

City Manager Wrede had no comment.

20. COMMENTS OF THE MAYOR

Mayor Hornaday had no comment.

21. COMMENTS OF THE CITY COUNCIL

Councilmember Wythe commented on information heard about the Seawall. Council has been advised not to make a lot of public comment about it. Nobody wants to pay for anything; even City Council believes others should pay. There is only one source of government funding and that is the citizens that contribute to maintenance of the government. Whatever we want to buy, we are talking about community dollars paying for things. Council tries to keep the balance in mind, making the best fiscal responsible decisions for the entire community. The City is a business and has a certain number of dollars they can invest. Sometimes it is very hard. She felt sad Donna Rae Faulkner commented she feels like she can't trust us. It is not that Council is not trustworthy, they are doing the best with the information they have.

Councilmember Hogan commented last week we celebrated Martin Luther King's birthday. He had an email in his council inbox that was very bigoted and prejudiced. We have a long way to go to meet the dream.

Councilmember Roberts came to City Hall on Saturday and noticed many city employees working to rearrange furniture and complete the move. She was impressed they were here on the weekend so they could conduct work on Monday morning. With the IT Department's efforts they had everything up and running, seamless. She especially thanked the IT department. As to sandwich boards, there was a lot of testimony tonight by people who care strongly. About two years ago Council had a joint meeting with the Planning Commission to discuss sandwich

boards. Council sent a message to the Planning Commission that sandwich boards can be somewhat unsafe. They did come back with some of Council's suggestions. She would appreciate hearing their suggestions. As to the gas line she appreciates the information coming forward. She feels that now is the time to get to work as the legislative session is just beginning. We need to indicate we are on board and be proactive, and not sit here as we did last year.

Councilmember Zak appreciates Beth's comments on the Seawall. Council must be careful as to what they say. It has been going on for a number of years. He votes against things for the societal responsibility to the community and members along the Seawall. He wrote a response to John Szajkowski on the Seawall. It has been a number of years, with a number of councils thinking out processes. As to future repairs we may put another \$25,000 as an emergency fund to add to the \$60,000. We are waiting on a letter from the Army Corps of Engineers. We should emphasize getting that letter back. He would have voted differently tonight had we had answers to the letter from the COE, as he is not so sure the city does not have a responsibility. People came out and said how tough it is to have businesses here in the winter. It is wonderful to see and hear from them, many of them from the Chamber of Commerce. For the gas line now is the time for business owners and residential owners to write letters. Our city behind it will be a huge savings for all of us. It will improve the ability to do business. He thanked Council for sending him to Juneau with the Mayor. The networking makes a big difference and there is opportunity to learn from other communities and use it here.

Councilmembers Lewis and Howard had no comment.

22. ADJOURNMENT

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 8:07 p.m. The next Regular Meeting is Monday, February 13, 2012 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.